November 20, 2001

Sent via e-mail, hand delivery and/or U.S. Mail

Mary L. Cottrell, Secretary
Massachusetts Department of Telecommunications and Energy
One South Station, Second Floor
Boston, MA 02110

re: DTE 01-31 Verizon's Alternative Regulation Plan

Dear Secretary Cottrell:

Pursuant to the Hearing Officer's Memorandum of November 16, 2001, the Attorney General submits this letter in support of the AT&T Communications of New England, Inc. ("AT&T") motion filed on November 13, 2001, for leave to file its Supplemental Surrebuttal Testimony of Deborah Waldbaum ("AT&T Motion"). The Attorney General urges the Department of Telecommunications and Energy ("DTE" or "Department") to grant the AT&T Motion because: (1) the supplemental testimony relates directly to the core issue of this phase of the Department's investigation – whether there is sufficient competition in the Massachusetts market to replace regulatory oversight; (2) the supplemental testimony responds to E911 information produced by Verizon on November 2, 2001; and (3) AT&T filed its written motion and proposed supplemental testimony more than 30 days prior to commencement of evidentiary hearings and thus gave the Department and all parties adequate notice of the factual dispute.¹

¹ Verizon stated in its November 19, 2001, comment that it had no objection to the AT&T Motion so long as Verizon could file rejoinder testimony by November 30, 2001. The Attorney General has no objection to Verizon's suggestion but notes that the current discovery deadline expires November 26, 2001. The Attorney General requests that the discovery deadline be extended to December 4, 2001, with responses due by 12:00 noon December 14, 2001, if the rejoinder is allowed. An alternative is for the Department to allow AT&T to present its surrebuttal testimony orally during the evidentiary hearing, allow the parties to conduct cross examination on all testimony submitted, then permit Verizon to respond orally to the surrebuttal, and again allow the parties to cross examine. The

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The purpose of the AT&T Motion is to challenge Verizon's assertion that market competition can be measured using the E911 database. AT&T, using its own E911 listings, contends that the E911 database is an unreliable measure of competition because AT&T does not submit its E911 listings in the same manner as does Verizon. The Attorney General agrees with AT&T that this inherent inconsistency is likely to lead to an overstatement of the amount of competition in Massachusetts. AT&T Motion at 1-2.

This contention is worth exploring through supplemental testimony because the E911 database accumulates the volume of telephone numbers assigned to and used by carriers. However, each carrier is responsible for determining how to format and submit its E911 data to Verizon for entry into the E911 database. Based on AT&T's Supplemental Testimony, the correlation between the number of a carrier's E911 listings and that carrier's market share will vary depending on how that carrier submitted its E911 data to Verizon.

Verizon apparently assumed that all carriers submit E911 data the same way Verizon submits its E911 data into the database, and Verizon relied on this assumption to calculate the level of competition in Massachusetts (see ATT-VZ 2-1[a-b]; Rebuttal Testimony of Robert Mudge, September 21, 2001, page 3, lines 3-5). If Verizon's assumption is wrong, then Verizon's assertions regarding competition levels are unreliable and should be disregarded. AT&T has examined its E911 listings and is seeking an opportunity to demonstrate that Verizon's assumption is incorrect. AT&T should be allowed to file its supplemental testimony and to address this aspect of the core issue in this case.

For these reasons, the Attorney General submits that the Department should grant AT&T's request for leave to file its supplemental surrebuttal testimony.

Sincerely,

Karlen J. Reed Assistant Attorney General Utilities Division

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Department has allowed this modification to its standard sequence of testimony. See DTE 98-57 (Phase III - Verizon's PARTS tariff) (Covad's oral surrebuttal testimony allowed pursuant to Covad's oral request presented on the day of hearing), Tr. vol. 4, pages 805 et seq. (November 16, 2001).

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Enc.

cc: Paula Foley, Hearing Officer (w/enc)

DTE 01-31 Service list (w/enc)

COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

Investigation by the Department of Telecommunications and Energy on)		
its own Motion into the Appropriate Regulatory Plan to succeed Price Cap)	
Regulation for Verizon New England, Inc. d/b/a Verizon Massachusetts'		D.T.E. 01-31
intrastate retail telecommunications services in the Commonwealth)		
of Massachusetts		
)	

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding by e-mail and by either hand delivery, or mail.

Dated at Boston this 20th day of November 2001.

Karlen J. Reed Assistant Attorney General Utilities Division 200 Portland Street, 4th Floor Boston, MA 02114 (617) 727-2200